

**House File 269 - Introduced**

HOUSE FILE 269

BY HANSON

**A BILL FOR**

1 An Act relating to school district transportation costs by  
2 establishing a transportation equity program, making  
3 appropriations, and including effective date provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 257.16C Transportation equity  
2 program — fund.

3 1. A transportation equity program is established to  
4 provide additional funding for school districts with a  
5 transportation density factor that is five pupils per square  
6 mile or less. The transportation density factor for each  
7 school district shall be calculated by dividing the budget  
8 enrollment for the school district, excluding shared-time  
9 enrollment, by the total number of square miles of area within  
10 the boundaries of the school district.

11 2. *a.* A transportation equity fund is created as a separate  
12 and distinct fund in the state treasury under the control of  
13 the department of management. For each fiscal year beginning  
14 on or after July 1, 2017, there is appropriated from the  
15 general fund of the state to the department of management  
16 to be credited to the transportation equity fund the sum of  
17 five million dollars to be used for transportation equity aid  
18 payments under this section.

19 *b.* For each budget year beginning on or after July 1, 2017,  
20 the department of management shall calculate a transportation  
21 equity state cost per pupil by dividing the amount of the  
22 appropriation for the budget year under paragraph "a" by  
23 an amount equal to the sum of budget enrollments used in  
24 subsection 1 for all school districts eligible to receive  
25 transportation equity aid under this section.

26 *c.* Each school district that satisfies the criteria of  
27 subsection 1 shall receive transportation equity aid in an  
28 amount equal to the school district's budget enrollment used  
29 to calculate the district's transportation density factor  
30 multiplied by the transportation equity state cost per pupil  
31 for that budget year.

32 *d.* Transportation equity aid payments shall be paid by  
33 the department of management at the same time and in the same  
34 manner as foundation aid is paid under section 257.16, and may  
35 be included in the monthly payment of state aid under section

1 257.16, subsection 2.

2 3. Transportation equity aid payments received under  
3 this section are miscellaneous income and shall be deposited  
4 in the general fund of the school district. However, the  
5 transportation equity aid amount shall not be included in  
6 district cost. Transportation equity aid under this section  
7 shall not affect the receipt or amount of a budget adjustment  
8 received under section 257.14 or transportation assistance aid  
9 under section 257.31, subsection 17.

10 Sec. 2. EMERGENCY RULES. The department of management  
11 may adopt emergency rules under section 17A.4, subsection 3,  
12 and section 17A.5, subsection 2, paragraph "b", to implement  
13 the provisions of this Act and the rules shall be effective  
14 immediately upon filing unless a later date is specified in the  
15 rules. Any rules adopted in accordance with this section shall  
16 also be published as a notice of intended action as provided  
17 in section 17A.4.

18 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
19 immediate importance, takes effect upon enactment.

20 EXPLANATION

21 The inclusion of this explanation does not constitute agreement with  
22 the explanation's substance by the members of the general assembly.

23 This bill establishes the transportation equity program  
24 to provide additional funding for school districts with a  
25 transportation density factor that is five pupils per square  
26 mile or less. The transportation density factor for each  
27 school district is calculated by dividing the budget enrollment  
28 for the school district, excluding shared-time enrollment, by  
29 the total number of square miles of area within the boundaries  
30 of the school district.

31 The bill creates a transportation equity fund and for each  
32 fiscal year beginning on or after July 1, 2017, appropriates  
33 from the general fund of the state to the department of  
34 management to be credited to the transportation equity fund  
35 the sum of \$5 million to be used for transportation equity aid

1 payments. The bill requires the department of management to  
2 calculate annually a transportation equity state cost per pupil  
3 by dividing the amount of the appropriation for the budget  
4 year by an amount equal to the sum of the budget enrollments  
5 used to calculate transportation density factors for all  
6 school districts eligible to receive transportation equity  
7 aid. Each eligible school district's transportation equity  
8 aid amount is equal to the school district's budget enrollment  
9 used to calculate the district's transportation density factor  
10 multiplied by the transportation equity state cost per pupil  
11 for that budget year.

12 The bill specifies the time and manner by which  
13 transportation equity aid payments are to be paid, where such  
14 amounts are to be deposited by school districts, and designates  
15 such amounts as miscellaneous income. The bill specifies,  
16 however, that the transportation equity aid amount shall not  
17 be included in district cost. In addition, transportation  
18 equity aid does not affect the receipt or amount of a budget  
19 adjustment received under Code section 257.14 or transportation  
20 assistance aid from the school budget review committee.

21 The bill authorizes the department of management to adopt  
22 emergency rules to implement the provisions of the bill, and  
23 the rules shall be effective immediately upon filing unless  
24 a later date is specified in the rules. Any emergency rules  
25 adopted shall also be published as a notice of intended action.

26 The bill being deemed of immediate importance, takes effect  
27 upon enactment.